



**SPECIALTY
BENEFITS, INC.**
an affiliate of K&K Insurance Group, Inc.

insuring the world's fun

June 27, 2005

MR SEAN CARTER
1307 MT PISGAH APT 17
WALNUT CREEK CA 94596

Re: Golden Gate Gymnastics
Claimant: Sean Michael Carter
Claim No.: PA1060203
Accident Date: 4/27/05

Dear Mr. Carter:

As the administrator of claims for Nationwide Mutual Insurance Company, we received an accident report advising of your injury. The report indicated you were both an instructor and manager at the time of your injury. We have now learned that you were not an instructor of Golden Gate Gymnastics but an office assistant.

Under the Golden Gate Gymnastics policy, there is a benefit for participants who are injured and meet the definition of a participant injured during a covered program. The policy states the following:

A. Additional Insuring Agreement

COVERAGE E - MEDICAL PAYMENTS FOR "PARTICIPANTS"

- a. We will pay medical expenses as described below for "bodily injury" to a "participant" caused by an accident that takes place during a "covered program" provided that:

- (1) The accident takes place in the "coverage territory" and during the policy period;
- (2) The expenses are incurred and reported to us within 104 weeks of the date of the accident; and
- (3) The injured "participant" submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

1712 Magnavox Way, P.O. Box 2338
Fort Wayne, IN 46801-2338
800-237-2917 Fax: 260-459-5910
Participant Accident Fax: 260-459-5915
www.kandkinsurance.com

California License #06334819
In California: DBA Specialty Benefits Administrator, Inc.
In Texas: DBA Specialty Accident Benefits, Inc.



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D. Definitions

For the purposes of this endorsement only:

1. "Covered program" means any event which:
 - a. Was specifically submitted to us as a scheduled event or activity at the inception of this policy;
 - b. Is usual and customary to your business activities and events; or
 - c. Has been specifically endorsed to this policy.
2. "Participant" means any person practicing for, performing in, or otherwise participating in a "covered program".

In light of the above policy conditions and definitions, an office assistant performing a stunt, which is not part of an organized class or practice, would not meet the definition of a participant or a covered program. Therefore, you would not be entitled to the participant benefits quoted to you in our letter of May 5, 2005. This letter does not include evaluation of coverage of any other coverages that may be afforded under the policy; only the participant accident.

The above-cited reason for denial of coverage is not meant to be exhaustive. Nationwide must evaluate coverage based on the facts known at the time the incident is reported. Conceivably, investigation and/or subsequent discovery could reveal further questions and issues. Nationwide reserves its right to raise and review other coverage issues if and when they become apparent should the facts warrant it.

If you believe this claim has been wrongfully denied or rejected, you may have the matter reviewed by the California Department of Insurance. The address and telephone number of the appropriate unit is:

STATE OF CALIFORNIA DEPARTMENT OF INSURANCE
CLAIMS SERVICES BUREAU
300 South Spring Street
Suite 201 South Tower
Los Angeles CA 90013
(800)927-4357 or (213)897-6961

Sincerely,

Janoan Hartor
Participant Accident Claims Supervisor

Enclosures

1712 Magnavox Way, P.O. Box 2338
Fort Wayne, IN 46801 2338
800 237 2917 Fax: 260-459-5910
Participant Accident Fax: 260-459-5915
www.kandkinsurance.com

California License #0C34819

In California: DBA Specialty Benefits Administrator, Inc.
In Texas: DBA Specialty Accident Benefits, Inc.

**Certificate of Insurance**

This certificate of insurance is issued in conjunction with the policy written through the Sports, Leisure and Entertainment Risk Purchasing Group 1712 Magnavox Way, Fort Wayne, IN 46804

Certificate Number: FWC0000000885800

Named Insured and Mailing Address: MICHAEL LYNCH
DBA: GOLDEN GATE GYMNASTICS
1441-C FRANQUETTE DR
CONCORD, CA 94520

Business Description: GYMNASTICS PROGRAM

Coverage Period:

From 12:01 am on 08/26/04 to 12:01 am on 08/26/05

This certificate consists of the following coverage parts for which a premium is indicated. This premium may be subject to adjustment:

Commercial General Liability

\$1,275.34

Hired Auto and Employers' Nonownership Liability

INCLUDED

Total Premium *

\$1,275.34

*Premium earned at inception 20%

We certify that the insured shown above has coverage under Policy Number: RP0264-00

In return for the payment of premium and subject to all the terms of the certificate and its corresponding policy, we agree to provide the insurance as stated.

Authorized Representative

Form(s) and Endorsement(s) made a part of this certificate at time of Issue*:

SRPG0017(12/02)

IL0985(01/03)

CAS3228

IL0021(07/02)

SRPG0103(12/02)

SRPG26148(12/02)

*Omits applicable forms and endorsements if shown on specific Coverage Part/Coverage Form Declarations.

SRPG100

12/02

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THIS ENDORSEMENT CHANGES THE CERTIFICATE. PLEASE READ IT CAREFULLY.

CHANGES

This endorsement modifies insurance provided under the following:

All Coverage Parts

The word "policy" is replaced with the word "certificate".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EARNED PREMIUM

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

The following is in effect only when indicated by X

 Premium Fully Earned at Inception

X Premium Fully Earned at Inception

208

(Percentage of Policy Term Premium)

_____ Premium Fully Earned as follows:

_____ of Total Premium in the event of cancellation prior to

Total Policy Premium is Fully Earned in the event of cancellation after

_____ Event Premiums

The following premiums apply to each category of event indicated and are Fully Earned as of the beginning of each event:

EVENT

PREMIUM PER EVENT

SRPG26148

COMMON CERTIFICATE CONDITIONS

All coverage parts included in this certificate are subject to the following conditions.

A. Cancellation

1. The Named Insured shown on the Certificate may cancel this certificate by mailing or delivering to us advance written notice of cancellation.

2. Cancellation of certificates in Effect

a. 90 days or less

If a certificate has been in effect for 90 days or less, we may cancel this policy by mailing or delivering to the named insured written notice of cancellation at least:

- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium
- (2) 20 days before the effective date of cancellation if you have perpetrated a fraud or material misrepresentation on us; or
- (3) 30 days before the effective date of cancellation if we cancel for any other reason.

b. More than 90 Days

If this certificate has been in effect for more than 90 days, or is a renewal of a policy we issued, we may cancel this policy, only for one or more of the reasons listed below, by mailing or delivering to the named insured written notice of cancellation at least:

- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium
- (2) 20 days before the effective date of cancellation if you have perpetrated a fraud or material misrepresentation on us; or
- (3) 45 days before the effective date of cancellation if:
 - (a) There is a substantial change in scale of risk covered by this certificate.
 - (b) Reinsurance of the risk associated with this certificate has been cancelled; or
 - (c) You have failed to comply with reasonable safety recommendations

3. We will mail or deliver our notice to the named insured's last mailing address known to us.

4. Notice of cancellation will state the effective date of cancellation. The coverage period will end on that said date.

5. If this certificate is cancelled, we will send the named insured any premium refund due. If we cancel, the refund will be pro rata. If the first named insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This certificate contains all the agreements between you and us concerning the insurance afforded. The named insured shown on the certificate is authorized to make changes in the terms of the certificate with our consent. This certificate's terms can be amended or waived only by endorsement issued by us and made a part of this certificate.

C. Examination of Your Books and Records

We may examine and audit your books and records as they relate to this certificate at any time during the policy period and up to three years afterward.

D. Inspections and Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;
 - b. Give you reports on the conditions we find; and
 - c. Recommend changes
2. We are not obligated to make any inspections, surveys, reports, or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. And 2. Of this condition apply not only to us, but also to any rating, advisory, rate service, or similar organization which makes insurance inspections, surveys, reports, or recommendations.
4. Paragraph 2. Of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances, or regulations, or boilers, pressure vessels, or elevators.

E. Premiums

The named insured show in the Certificate:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer of your rights and Duties under this certificate

Your rights and duties under this certificate may not be transferred without our written consent except in the case of death of an individual named insured. If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respects to that property.

G. Nonrenewal

1. If we elect to not renew this policy, we will mail or deliver to the named insured written notice of nonrenewal at least 45 days before:
 - a. The expiration date of this certificate, if the certificate is written for a term of one year or less; or
 - b. The anniversary date of this certificate, if the policy is written for a term of more than one year.
2. We will mail or deliver our notice to the named insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT OF 2002. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT OF 2002

SCHEDULE*

Terrorism Premium (Certified Acts) \$0

Additional information, if any, concerning the terrorism premium:

* Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

A. Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act of 2002, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under that Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 90% of that portion of the amount of such insured losses that exceeds the applicable insurer retention.

"Nuclear facility" means:

- (a) Any "nuclear reactor";
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";
- (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

Nationwide

**COMMERCIAL GENERAL LIABILITY
COVERAGE PART DECLARATIONS**ISSUED BY: K & K INSURANCE GROUP, INC.

POLICY NUMBER

FWC0000000885800

POLICY PERIOD: From 08/26/04 to 08/26/05 at
12:01 A.M. Standard Time at your mailing address.**LIMITS OF INSURANCE**

General Aggregate Limit (Other Than Products-Completed Operations)	\$	2,000,000	
Products-Completed Operations Aggregate Limit	\$	1,000,000	
Each Occurrence Limit	\$	1,000,000	
Personal & Advertising Injury Limit	\$	1,000,000	Any One Person or Organization
Medical Expense Limit	\$	5,000	Any One Person
Fire Damage Limit	\$	300,000	Any One fire
Optional Coverages			
Medical Payments for Participants	\$	150,000	per participant \$250 DEDUCT PER CLAIM
Professional Liability	\$	1,000,000	p/ wrongful act
Legal Liability to Participants	\$	1,000,000	per occurrence

RETROACTIVE DATE (Applies to CG 00 02, Claims Made Coverage, only)

Coverage A of this insurance does not apply to "bodily injury" or "property damage" which occurs before the Retroactive Date, if any, shown below.

Retroactive Date: None
(Enter Date or "None" if no Retroactive Date applies.)**Retroactive Date** (Applies to CG 00 34, Claims Made Coverage, liquor Liability)Retroactive Date: None
(Enter Date or "None" if no Retroactive Date applies.)**Location of All Premises You Own, Rent or Occupy:**0001 1441-C FRANQUETTE DR CONCORD CA 94520
VARIOUS OFF PREMISES LOCATIONS

Classification	Code No.	Premium Basis	Advance Premium	
			Products/ Completed Operations	All Other

SEE SRPG17486, LIABILITY SCHEDULE & PREMIUM RECAP

Commercial General Liability Advance Premium \$1,275.34

Forms Applicable to Commercial General Liability Coverage Part:

SRPG17486(12/02)	CG0001(10/01)	SRPG26387(12/02)	CG2167(04/02)	CAS4487(06/93)
CAS3880(06/97)	SRPG1202(12/02)	CG2147(07/98)	SRPG26055(12/02)	SRPG26143(12/02)
SRPG26503(12/02)	CG2144(07/98)	SRPG26583(12/02)	SRPG157(12/02)	CG2148(07/98)
SRPG18021(12/02)	SRPG26133(12/02)	CG2170(11/02)		

LIA - I. Y SCHEDULE AND PREMIUM RECAP

POLICY NUMBER: FWC0000000885800

LOC. NO	* DESCRIPTION SUBLINE - CLASS CODE	**PREMIUM BASE ACT. EXPOSURE	RATES	PREMIUMS
0001	(347) 40066 Athletic Programs-Amateur GYMNASTICS,DANCE,CHEERLEADING AND TUMBLING PARTICIPANTS 7 & OVER	U 30	16.170	\$485.10
0001	(334) Legal Liability to Participants GYMNASTICS,DANCE,CHEERLEADING AND TUMBLING PARTICIPANTS 7 & OVER		.000	INCLUDED
0001	(334) Medical Payments for Participants GYMNASTICS,DANCE,CHEERLEADING AND TUMBLING PARTICIPANTS 7 & OVER	U 30	9.670	\$290.10
0001	(347) 40066 Athletic Programs-Amateur GYMNASTICS,DANCE,CHEERLEADING AND TUMBLING PARTICIPANTS 5 & 6	U 15	13.960	\$209.40
0001	(334) Legal Liability to Participants GYMNASTICS,DANCE,CHEERLEADING AND TUMBLING PARTICIPANTS 5 & 6		.000	INCLUDED
0001	(334) Medical Payments for Participants GYMNASTICS,DANCE,CHEERLEADING AND TUMBLING PARTICIPANTS 5 & 6	U 15	6.740	\$101.10
0001	(347) 40066 Athletic Programs-Amateur GYMNASTICS,DANCE,CHEERLEADING AND TUMBLING PARTICIPANTS 4 & UNDER	U 8	8.110	\$64.88
TOTAL PREMIUMS				

*SUBLINE KEY

- 332 - Liquor Liability
- 334 - Premises/Operations
- 335 - Owners/Contractors Protective or
Principals Protective
- 336 - Products/Completed Operations
- 350 - Pollution Liability
- 345 - Other Composite Rated/Premises/Operations ONLY
- 346 - Other Composite Rated/Product/Completed
Operations ONLY
- 347 - Other Composite Rated - BOTH Premises/Operations
AND Product/Completed Operations or type in subline

**PREMIUM/EXPOSURE BASE KEY

- A - Area (per 1,000 square feet)
- C - Total Cost (per \$1,000)
- E - Admissions (per head)
- M - Admissions (per 1,000)
- P - Payroll (per \$1,000)
- R - Receipts (per \$100)
- S - Gross Sales (per \$1,000)
- U - Units (per unit) or type in base

POLICY NUMBER: FWC0000000885800

LOC. NO	* DESCRIPTION SUBLINE - CLASS CODE	**PREMIUM BASE ACT. EXPOSURE	RATES	PREMIUMS
0001	(334) Legal Liability to Participants GYMNASTICS,DANCE,CHEERLEADING AND TUMBLING PARTICIPANTS 4 & UNDER		.000	INCLUDED
0001	(334) Medical Payments for Participants GYMNASTICS,DANCE,CHEERLEADING AND TUMBLING PARTICIPANTS 4 & UNDER	U 8	3.010	\$24.08
0001	(347) 40066 Athletic Programs-Amateur BIRTHDAY/SOCIAL PARTIES PARTICIPANTS ALL AGES	U 6	9.680	\$58.08
0001	(334) Legal Liability to Participants BIRTHDAY/SOCIAL PARTIES PARTICIPANTS ALL AGES		.000	INCLUDED
0001	(334) Medical Payments for Participants BIRTHDAY/SOCIAL PARTIES PARTICIPANTS ALL AGES	U 6	7.100	\$42.60
			TOTAL PREMIUMS	\$1,275.34

*SUBLINE KEY

- 332 - Liquor Liability
- 334 - Premises/Operations
- 335 - Owners/Contractors Protective or
Principals Protective
- 336 - Products/Completed Operations
- 350 - Pollution Liability
- 345 - Other Composite Rated/Premises/Operations ONLY
- 346 - Other Composite Rated/Product/Completed
Operations ONLY
- 347 - Other Composite Rated - BOTH Premises/Operations
AND Product/Completed Operations or type in subline

**PREMIUM/EXPOSURE BASE KEY

- A - Area (per 1,000 square feet)
- C - Total Cost (per \$1,000)
- E - Admissions (per head)
- M - Admissions (per 1,000)
- P - Payroll (per \$1,000)
- R - Receipts (per \$100)
- S - Gross Sales (per \$1,000)
- U - Units (per unit) or type in base

AMENDMENT OF AGGREGATE LIMITS (PER LOCATION)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

☒ Limits of Insurance

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

The General Aggregate Limit under LIMITS OF INSURANCE (Section III) applies, separately to each of your "locations" owned by or rented to you.

"Location" means premise involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, watershed or right-of-way of a railroad.

POLICY NUMBER: FWC0000000885800

COMMERCIAL GENERAL LIABILITY
CG 00 01 10 01

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERAGES

COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
- (2) The "bodily injury" or "property damage" occurs during the policy period; and
- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

(1) "Bodily Injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants";

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

(i) "Bodily Injury" if sustained within a building and caused by smoke, fumes, vapor or soot from equipment used to heat that building;

(ii) "Bodily Injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

(iii) "Bodily Injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

(b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

(i) Any insured; or

(ii) Any person or organization for whom you may be legally responsible; or

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

(i) "Bodily Injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily Injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily Injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily Injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".

- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
- (a) Less than 26 feet long; and
- (b) Not being used to carry persons or property for a charge;

- (3) Parking an "auto", or on the ways open to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

- (5) "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4), this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III – Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

If such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

Exclusions c. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III – Limits Of Insurance.

COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance ; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

- a. **Knowing Violation Of Rights Of Another**
"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".
- b. **Material Published With Knowledge Of Falsity**
"Personal and advertising injury" arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.
- c. **Material Published Prior To Policy Period**
"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.
- d. **Criminal Acts**
"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.
- e. **Contractual Liability**
"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.
- f. **Breach Of Contract**
"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Of Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web-sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 14.a., b. and c. of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

I. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-Related

Any loss, cost or expense arising out of any:

- (1) Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

COVERAGE C MEDICAL PAYMENTS**1. Insuring Agreement**

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations;
- provided that:

- (1) The accident takes place in the "coverage territory" and during the policy period;
- (2) The expenses are incurred and reported to us within one year of the date of the accident; and
- (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;

- (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while taking part in athletics.

1. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage A.

h. War

Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- a. All expenses we incur.

- b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- e. All costs taxed against the insured in the "suit".
- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

- 2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
 - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - b. This insurance applies to such liability assumed by the insured;
 - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
 - d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

- e. The indemnitee, and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

1. The Indemnitee:

(1) Agrees in writing to:

- (a) Cooperate with us in the investigation, settlement or defense of the "suit";
- (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
- (c) Notify any other insurer whose coverage is available to the indemnitee; and
- (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(2) Provides us with written authorization to:

- (a) Obtain records and other information related to the "suit"; and
- (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I – Coverage A – Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II - WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

(b) To spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;

(c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or

(d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

(a) Owned, occupied or used by,

(b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

c. Any person or organization having proper temporary custody of your property if you die, but only:

(1) With respect to liability arising out of the maintenance or use of that property; and

(2) Until your legal representative has been appointed.

d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

3. With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

a. "Bodily injury" to a co-"employee" of the person driving the equipment; or

b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

4. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
2. The General Aggregate Limit is the most we will pay for the sum of:
 - a. Medical expenses under Coverage C;
 - b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - c. Damages under Coverage B.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

5. Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

- a. Damages under Coverage A; and
 - b. Medical expenses under Coverage C
- because of all "bodily injury" and "property damage" arising out of any one "occurrence".

6. Subject to 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.

7. Subject to 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy.

Bankruptcy or insolvency of the Insured or of the Insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Offense, Claim Or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;
- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or is brought against any Insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

c. You and any other involved Insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No Insured will, except at that Insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an Insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an Insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the Insured and the claimant or the claimant's legal representative.

4. Other Ins

If other valid and collectible insurance is available to the Insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in c. below.

b. Excess Insurance

This insurance is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
 - (b) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
 - (c) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
 - (d) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Section I - Coverage A - Bodily Injury And Property Damage Liability.
- (2) Any other primary insurance available to you covering liability for damages arising out of the premises or operations for which you have been added as an additional Insured by attachment of an endorsement.

When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each Insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V - DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
2. "Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

4. "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or
- c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in a. above;
 - (2) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
- b. You have failed to fulfill the terms of a contract or agreement;

If such property can be restored to use by:

- a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
- b. Your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

- e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

a. False arrest, detention or imprisonment;

b. Malicious prosecution;

c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;

d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

e. Oral or written publication, in any manner, of material that violates a person's right of privacy;

f. The use of another's advertising idea in your "advertisement"; or

g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

15. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;

(2) The existence of tools, uninstalled equipment or abandoned or unused materials; or

(3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of or tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

a. Means:

(1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(a) You;

(b) Others trading under your name; or

(c) A person or organization whose business or assets you have acquired; and

(2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

22. "Your work":

b. Includes

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2) The providing of or failure to provide warnings or instructions.
- c. Does not include vending machines or other property rented to or located for the use of others but not sold.

a. Means:

- (1) Work or operations performed by you or on your behalf; and
- (2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work", and
- (2) The providing of or failure to provide warnings or instructions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

COMMERCIAL GENERAL LIABILITY BROADENED COVERAGE

This endorsement modifies coverage provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

- A. The following replaces **SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, a.:**
- a. "Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.
- B. The following replaces **SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, g. (2):**
- (2) A watercraft you do not own that is:
- (a) Less than 51 feet long; and
- (b) Not being used to carry persons or property for a charge.
- C. The following replaces **SECTION I – COVERAGES, COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY, 2. Exclusions, a. (2) and (3):**
- (2) Arising out of publication of material, including, but not limited to, oral, written, televised, videotaped or electronically transmitted publication of material, if done at the direction of the insured with knowledge of its falsity;
- (3) Arising out of publication of material, including, but not limited to, oral, written, televised, videotaped or electronically transmitted publication of material, whose first publication took place before the beginning of the policy period.
- D. The following replaces **SUPPLEMENTARY PAYMENTS – COVERAGES A AND B, 1. b. and d.:**
- b. Up to \$1,000 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.
- E. The following replaces **SECTION II - WHO IS AN INSURED, 4.a.:**
- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, which ever is earlier.
- F. The following are added to **SECTION II – WHO IS AN INSURED:**
5. Any person or organization to whom you are obligated by virtue of a valid written contract to provide insurance such as is afforded by this policy, but only with respect to liability arising out of your activities or operations.
6. Any person or organization that is the lessor of equipment leased to you, but only with respect to their liability arising out of the maintenance, operation or use by you of such equipment. However, this insurance does not apply to:
- a. Any "occurrence" which takes place after the equipment lease expires; or
- b. "Bodily injury" or "property damage" arising out of the sole negligence of the person or organization who is the lessor of equipment.

- e. Knowledge of the "occurrence", claim or "suit" by the agent, servant, or "employee" of an insured shall not in itself constitute your knowledge unless one of your officers, manager or partners have received notice of the "occurrence", claim or "suit".
- f. Failure by the agent, servant or "employee" of an insured (other than an officer, manager or partner) to notify us of an "occurrence" shall not constitute a failure to comply with Items a. and b. of this condition.

H. The following are added to **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS:**

10. Unintentional Error or Omission

Any unintentional error or omission in the description of or failure to completely describe, any premises or operations intended to be covered by this Coverage Part will not invalidate or affect coverage for those premises or operations. However, you must report such error or omission to us as soon as practicable after its discovery.

11. Waiver of Right of Recovery

We waive all rights of recovery when you have agreed to waive your rights of recovery when required by a written contract. However, this provision only applies if the written contract was executed prior to the date of the "occurrence."

I. The following replaces **SECTION V - DEFINITIONS, 3. and 14:**

- 3. "Bodily Injury" means bodily injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright, humiliation, emotional distress or death resulting from bodily injury, sickness or disease.
- 14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offences:
 - a. False arrest, detention or imprisonment;
 - b. Malicious prosecution or abuse of process;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
 - d. Any publication of material including, but not limited to oral, written, televised, videotaped or electronically transmitted publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Any publication of material, including but not limited to oral, written, televised, videotaped or electronically transmitted publication of material that violates a person's right of privacy;
 - f. The use of another's advertising idea in your "advertisement"; or
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

J. **Broadened Coverage - Damage to Premises Rented to You**

- 1. The word *fire* is replaced with the phrase *fire or explosion* where it appears in:
 - a. **SECTION I, Coverage A, 2. Exclusions, j. Damage to Property;**
 - b. **SECTION I, Coverage A, 2. Exclusions, last paragraph;**
 - c. **SECTION III, Limits of Insurance, Item 6.;**
 - d. **SECTION IV, Conditions, 4. Other Insurance, Item (1) (b.).**
- 2. The Limit of Insurance applicable to Damage to Premises Rented to You is \$300,000 unless a higher limit is specified on the Declarations.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FUNGI OR BACTERIA EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. The following exclusion is added to Paragraph 2., Exclusions of **Section I – Coverage A – Bodily Injury And Property Damage Liability**:

2. Exclusions

This insurance does not apply to:

Fungi or Bacteria

- a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for consumption.

- B. The following exclusion is added to Paragraph 2., Exclusions of **Section I – Coverage B – Personal And Advertising Injury Liability**:

2. Exclusions

This insurance does not apply to:

Fungi or Bacteria

- a. "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.
- b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

- C. The following definition is added to the **Definitions** Section:

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LEAD EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL AUTO COVERAGE PART
BUSINESSOWNERS POLICY
CONTRACTORS POLICY
FARM COVERAGE PART
SCHOOL DISTRICT LIABILITY POLICY
COMMERCIAL UMBRELLA LIABILITY POLICY
BUSINESS PROVIDER POLICY
PROFESSIONAL LIABILITY POLICY
NATIONWIDE RURAL ELECTRIC COMMERCIAL ACCOUNT POLICY

This insurance does not apply to:

1. "Bodily Injury," "property damage," "personal injury," "advertising injury" or medical payments arising out of or relating to the exposure to lead or any claims from lead; including but not limited to the ingestion, inhalation or absorption of lead in any form.
2. Any loss, cost or expense rising out of any request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of lead; or
3. Any loss, cost or expenses arising out of any claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing or in any way responding to, or assessing the effects of lead.

For purposes of this endorsement, lead means lead and lead compounds in any form.

ASBESTOS LIABILITY EXCLUSION

The following exclusion is added:

"This insurance does not apply to bodily injury, property damage, personal injury or advertising injury arising out of asbestos or goods containing asbestos or real property containing asbestos. This exclusion applies whether the bodily injury, property damage, personal injury or advertising injury is caused solely by asbestos or goods containing asbestos or real property containing asbestos, or is caused by other means in conjunction or separately with asbestos or goods containing asbestos or real property containing asbestos."

THIS ENDORSEMENT CHANGES THE CERTIFICATE. PLEASE READ IT CAREFULLY.

CHANGES - POLLUTION EXCLUSION

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

The following is added to subparagraph 1., **Pollution** of paragraph 2., **Exclusion of Bodily Injury and Property Damage Liability Coverage (Section I – Coverages)** and to Paragraph 2., **Exclusions of Personal and Advertising Injury Liability Coverage (Section I – Coverages)** or to any amendment to or replacement thereof:

This pollution exclusion applies whether or not such irritant or contaminant has any function in your business, operations, premises, site or location.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - DESIGNATED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SCHEDULE

Description of Designated Operation(s):

EVENTS SANCTIONED BY USA GYMNASTICS

Specified Location (If Applicable):

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

The following exclusion is added to paragraph 2., Exclusions of COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I - Coverages):

This insurance does not apply to "bodily injury" or "property damage" arising out of the operations described in the Schedule of this endorsement, regardless of whether such operations are conducted by you or on your behalf or whether the operations are conducted for yourself or for others.

Unless a "location" is specified in the Schedule, this exclusion applies regardless of where such operations are conducted by you or on your behalf. If a specific "location" is designated in the Schedule of this endorsement, this exclusion applies only to the described operations conducted at that "location".

For the purpose of this endorsement, "location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, water way or right-of-way of a railroad.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LEGAL LIABILITY TO PARTICIPANTS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

A. Additional Exclusions.

1. The following is added to SECTION I – COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions:

- p. Participant Liability

- (i) "Bodily Injury" to a "participant"

B. Insuring Agreement.

The following is added to SECTION I – COVERAGES:

COVERAGE D - LIABILITY TO "PARTICIPANTS"

1. Insuring Agreement.

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" to any "participant". We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result.

But:

- (1) The amount we will pay for damages is limited as described in Section C - Limits of Insurance in this endorsement; and
 - (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements.

- b. This insurance applies to "bodily injury" only if:

- (1) The "bodily injury" is caused by an "occurrence" that takes place in the "coverage territory"; and
 - (2) The "bodily injury" occurs during the policy period.

2. Exclusions.

This insurance does not apply to:

- a. "Bodily injury" that is excluded under SECTION I - COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions. Paragraphs a., b., c., d., e., f., g., h., i., and o.
- b. Claims or "suits" brought by one athlete "participant" against another athlete "participant". But this exclusion does not apply to claims or "suits" brought against the Named Insured or any additional insureds who have been endorsed onto this policy.

C. Limits of Insurance.

1. SECTION III--LIMITS OF INSURANCE, The following is added:

d. Damages under Coverage D.

2. The following is added to SECTION III--LIMITS OF INSURANCE:

8. Subject to 2. above, the Liability to Participants Limit shown in the Declarations is the most we will pay for the sum of all damages under Coverage D because of all "bodily injury" to "participants" arising out of any one "occurrence".

D. Conditions

For purposes of this endorsement, all of the provisions within SECTION IV - CONDITIONS are incorporated herein by reference and apply to this endorsement except to the extent any conditions below differ.

E. Definitions

For purposes of this endorsement, all of the provisions within SECTION V - DEFINITIONS incorporated herein by reference and apply to this endorsement except to the extent any definitions below differ.

a. "Participant" means:

any person who is instructing, supervising, training, or practicing for, participating in or otherwise involved in any sports or athletic activity, contest, or exhibition you operate or sponsor.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MEDICAL PAYMENTS FOR PARTICIPANTS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

A. Additional Insuring Agreement

The following is added to SECTION I - COVERAGES:

COVERAGE E - MEDICAL PAYMENTS FOR "PARTICIPANTS"

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" to a "participant" caused by an accident that takes place during a "covered program" provided that:
 - (1) The accident takes place in the "coverage territory" and during the policy period;
 - (2) The expenses are incurred and reported to us within 104 weeks of the date of the accident; and
 - (3) The injured "participant" submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
 - (1) First aid administered at the time of an accident;
 - (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

- a. This insurance does not apply to "bodily injury" that is excluded under SECTION I - COVERAGES, COVERAGE A., 2. Exclusions a. b. c. d. e. f. g. h. i. and o.
- b. This insurance does not apply to expenses for "bodily injury" that is excluded under SECTION I - COVERAGES, COVERAGE C., 2. Exclusions a. b. c. d. f. and h.

B. Limits of Insurance

1. SECTION III - LIMITS OF INSURANCE, 2. the following is added:

- Medical expenses under Coverage E.

2. Subject to 2. above, the Medical Payments for "Participants" Limit shown in the Declarations is the most we will pay under Coverage E for all medical expenses because of "bodily injury" sustained by any one "participant".

C. Conditions

With respect to Coverage E only, the following is added to SECTION IV, COMMERCIAL GENERAL LIABILITY, CONDITION 4. Other Insurance, b. Excess Insurance (1):

- (e.) That is insurance which provides coverage for medical expenses

D. Definitions

For purposes of this endorsement only:

1. "Covered program" means any event which:

- a. Was specifically submitted to us as a scheduled event or activity at the inception of this policy;

b. Is usual and customary for your business activities and events, or

c. Has been specifically endorsed to this policy.

2. "Participant" means any person practicing for, performing in, or otherwise participating in a "covered program".

E. Deductible

Our obligation under Coverage E - Medical Payments for Participants to pay medical expenses on your behalf applies only to amount of expenses in excess of any deductible amount stated in the Declarations. The deductible amount will apply either on a per claim or a per occurrence basis, as indicated in the Declarations, and will apply as follows:

1. Per Claim Basis: If the deductible amount indicated in the Declarations is on a per claim basis, that deductible will apply to all medical expenses we pay to any one "participant" as the result of any one "occurrence".
2. Per Occurrence Basis: If the deductible amount indicated in the Declarations is on a per "occurrence" basis, that deductible will apply to all medical expenses we pay as the result of any one "occurrence"; regardless of the number of "participants" who sustain damages because of that "occurrence".

Covered medical expenses paid or payable under any other insurance policy or plan:
(X applicable box below)

- ☒ -will reduce the deductible amount; or
- ☐ -will not reduce the deductible amount.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**LIMITATION OF COVERAGE TO DESIGNATED
PREMISES OR PROJECT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Premises:

Project:

THIS INSURANCE APPLIES ONLY TO GYMNASTICS, DANCE, CHEERLEADING, TUMBLING ACTIVITIES AND FUNDRAISING ACTIVITIES OPERATED BY YOU, SPONSORED BY YOU AND DIRECTLY SUPERVISED BY YOU; AS WELL AS ANY SUBSIDIARY ACTIVITIES AND OPERATIONS REPORTED TO THE COMPANY.

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

This Insurance applies only to "bodily injury", "property damage", "personal and advertising injury" and medical expenses arising out of:

1. The ownership, maintenance or use of the premises shown in the Schedule and operations necessary or incidental to those premises; or
2. The project shown in the Schedule.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROFESSIONAL LIABILITY COVERAGE FOR SPORTS OR FITNESS ACTIVITIES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

- A. The following is added to **SECTION I – COVERAGES**, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions:

This insurance does not apply to:

Any "bodily injury" or "property damage" covered under COVERAGE G. PROFESSIONAL LIABILITY FOR SPORTS OR FITNESS ACTIVITIES.

- B. The following is added to **SECTION I – COVERAGES**, COVERAGE B. PERSONAL INJURY AND ADVERTISING INJURY LIABILITY, 2. Exclusions:

This insurance does not apply to:

Any "personal injury" or "advertising injury" covered under COVERAGE G. PROFESSIONAL LIABILITY FOR SPORTS AND FITNESS ACTIVITIES.

- C. The following is added to **SECTION I – COVERAGES**, COVERAGE C. MEDICAL PAYMENTS, 2. Exclusions:

We will not pay expenses for "bodily injury":

Covered under COVERAGE G. PROFESSIONAL LIABILITY FOR SPORTS AND FITNESS ACTIVITIES.

- D. The following is added to **SECTION I – COVERAGES**:

COVERAGE G – PROFESSIONAL LIABILITY FOR SPORT OR FITNESS ACTIVITIES

1. INSURING AGREEMENT

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of a "wrongful act" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages to which this insurance does not apply. We may, at our discretion, investigate any "wrongful act" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverage G.

No other obligations or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

- b. This insurance applies only if:

- (1) The "wrongful act" takes place within the "coverage territory" and during the policy period; and
- (2) The "wrongful act" occurs during the course and scope of duties by or on behalf of the named insured.

2. EXCLUSIONS

This insurance does not apply to:

- a. "Bodily Injury" and "property damage" that is excluded under SECTION I - COVERAGES, COVERAGE A, 2. Exclusions, Paragraphs a., c., e., g., i., and o.
- b. Any liability arising out of advising, providing or selling any type of dietary supplements, diet plans, dieting information, weight reduction plans or information, or prescription medications, including but not limited to, herbs, dietary pills, energy supplements, or weight loss or gain substances.
- c. Any liability arising out of providing or failing to provide professional health care services.
- d. Any liability arising out of any dishonest, fraudulent or criminal act committed by any insured.
- e. Any liability of others assumed by any insured under any contract or agreement.
- f. Any claim or "suit" arising out of improper or inappropriate fees or charges for the insured's services or membership.
- g. Any non-compensatory amounts, including but not limited to, punitive, exemplary or multiplication of damages, fines, taxes or penalties, in whatever form assessed.
- h. (1) Any injury, "damages" or loss which would not have occurred in whole or in part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time; or
(2) Any loss, cost or expense arising out of any:
 - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
 - (b) Claim or "suit" by or on behalf of a governmental authority for any damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants."
- i. Any claim or "suit" that arises out of alleged violations of any law that prohibits the monopolization or unlawful restraint of trade, business or profession.
- j. Any obligation of the insured under a workers compensation, disability benefits or unemployment compensation law or any similar law.
- k. Any liability caused by, resulting from, or arising out of or in any way related to asbestos or lead.
- l. Any liability to:
 - (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
 - (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

3. SUPPLEMENTARY PAYMENTS

We will pay, with respect to any claim we investigate or settle or any "suit" against an insured we defend:

- a. All expenses we incur.
- b. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- c. All costs taxed against the insured in the "suit".

These payments will not reduce the Limits of Insurance.

E. For purposes of this endorsement, the following replaces SECTION II - WHO IS AN INSURED:

SECTION II - WHO IS AN INSURED

1. You.
2. Any individual conducting "sports or fitness activities" on behalf of the named insured.

F. SECTION III, LIMITS OF INSURANCE, Item 2., the following is added:

- 2.d. Damages under Coverage G.

G. For purposes of this endorsement, the following is added to SECTION III - LIMITS OF INSURANCE:

8. Subject to 2. above, the Coverage G Limit of Insurance-Per Wrongful Act limit shown in the Declarations is the most we will pay under Coverage G because of all damages arising out of any one "wrongful act".

H. For purposes of this endorsement, the following are added to SECTION V - DEFINITIONS:

1. "Sports or fitness activities" means the instruction of, coaching of, officiating for, demonstration of, direction and advice related to the sport or fitness programs of the named insured.
2. "Wrongful act" means any breach of duty, neglect, error, omission, misstatement, or misleading statement in the discharge of "sports or fitness activities". Any actual or alleged breach of duty, neglect, error, omission, misstatement, or misleading statement arising out of the same or related facts, circumstances, situations, transactions or events shall be deemed as arising out of the same "wrongful act".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED
OWNERS AND/OR LESSORS OF PREMISES,
SPONSORS OR CO-PROMOTERS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Is amended to include as an additional insured any person or organization of the types designated below, but only with respect to liability arising out of your operations:

1. Owners and/or lessors of the premises leased, rented, or loaned to you, subject to the following additional exclusions:
 - A. This insurance applies only to an occurrence which takes place while you are a tenant in the premises;
 - B. This insurance does not apply to Bodily Injury or Property Damage resulting from structural alterations, new construction or demolition operations performed by or on behalf of the owner and/or lessor of the premises;
 - C. This insurance does not apply to any design defect or structural maintenance of the premises by or on behalf of the owner and/or lessor.

With respect to any "Additional Insured" included under this policy, this insurance does not apply to the sole negligence of such "Additional Insured."
2. Sponsors.
3. Co-Promoters.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ABUSE OR MOLESTATION EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability and Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of:

1. The actual or threatened abuse or molestation by anyone of any person while in the care, custody or control of any insured, or

2. The negligent:

- a. Employment;
- b. Investigation;
- c. Supervision;
- d. Reporting to the proper authorities, or failure to so report; or
- e. Retention;

of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by Paragraph 1. above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION -- SPORTS/LEISURE/ENTERTAINMENT ACTIVITIES AND DEVICES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Each exclusion when indicated by an X is added to the policy:

This insurance does not apply to "bodily injury", "property damage", "personal injury", or "advertising injury"

 Inverted Aerial Maneuver

Arising out of the attempt to perform or performance of any inverted aerial maneuver by a skier from a jump:

1. Built by you or on your behalf; or
2. Built on your premises with your permission or knowledge.

 X Amusement Device

Arising out of the ownership, operation, maintenance or use of any amusement device.

For purposes of this exclusion, amusement device means any device or equipment a person rides for enjoyment, including, but not limited to, any mechanical or non-mechanical ride, slide, water slide (including any ski or tow when used in connection with a water slide), moonwalk or moon bounce, bungee operation or equipment. Amusement device does not include any video arcade or computer game.

 Bungee

Arising out of the ownership, operation, maintenance or use of any bungee operation or equipment whether owned, operated, maintained or used by you, any other insured or any other person or entity.

 Grass

Arising out of grass skiing.

 Animals

Arising out of injury or death to any animal.

 Object Propelled

Arising out of any object propelled, whether intentionally or unintentionally, into the crowd by or at the direction of a "participant" or insured.

 "Participant"

Arising out of the involvement of a participant in any activity, event or exhibition, including, but not limited to, any contest, physical training, sport, event, athletic activity, martial arts or stunt.

 Rodeo

Arising out of any rodeo activity, including, but not limited to, bronco or bull riding, steer roping, team roping, barrel racing or horseback riding.

 Concert

Arising out of a concert, show, or theatrical event.

____ Performer

Arising out of the involvement of any performer during any activity, event or exhibition, including, but not limited to any stunt, concert, show or theatrical event.

DEFINITION OF PARTICIPANT

For purposes of this endorsement, participant means any person who is participating, practicing, or is otherwise involved in an activity, event or exhibition. Participant does not include any spectator.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

With respect to any one or more "certified acts of terrorism", we will not pay any amounts for which we are not responsible under the terms of the federal Terrorism Risk Insurance Act of 2002 (including subsequent acts of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The federal Terrorism Risk Insurance Act of 2002 sets forth the following criteria for a "certified act of terrorism":

1. The act resulted in aggregate losses in excess of \$5 million; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.



Policy Number: FWC0000000885800

Hired Auto and Employers'
Nonownership Liability
Coverage Declarations

ITEM ONE - NAMED INSURED AND ADDRESS
 MICHAEL LYNCH
 DBA: GOLDEN GATE GYMNASTICS
 1441-C FRANQUETTE DR
 CONCORD, CA 94520

FORM OF BUSINESS: ☐ Corporation ☐ Partnership ☐ Individual ☐ Limited Liability Company ☐ Other

ITEM TWO - SCHEDULE OF COVERAGE

This insurance provides only those coverages where the box next to the coverage is marked and a premium is charged.
 The limit of liability shown is the most we will pay for any one "accident".

COVERAGES		LIMIT OF LIABILITY	CLASS CODE	ESTIMATED COST OF HIRE/STATE	RATES EACH \$100 COST OF HIRE	LIABILITY PREMIUM
X	Hired "Auto" Liability	\$ 1,000,000				INCLUDED
X	Employer's Nonownership Liability	per "accident" \$ 1,000,000	Total number of employees 0-25			INCLUDED
			PREMIUM FOR ENDORSEMENTS			
			ESTIMATED TOTAL PREMIUM			Included

ENDORSEMENTS ATTACHED TO THIS COVERAGE

IL 00 21 11 85- Broad Form Nuclear Exclusion (not applicable in New York)

SRPG17865(12/02)

SRPG26147NOHA(12/02)

SRPG17864

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12/02

Hired Auto and Employers' Nonownership Liability Coverage Part

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties, and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the named insured shown in the declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section IV - Definitions.

SECTION I - COVERED AUTOS

Item Two of the declarations shows the type of "autos" that are covered "autos". If the applicable box is marked and a premium is shown for the coverage, the following types of "autos" are covered "autos".

DESCRIPTION OF COVERED AUTOS

HIRED "AUTOS". Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your employees or partners or members of their households.

NONOWNED "AUTOS". Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your employees or partners or members of their house-holds but only while used in your business or your personal affairs.

SECTION II - LIABILITY COVERAGE

A. COVERAGE

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which that insurance applies, caused by an "accident" and resulting from the ownership, maintenance, or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend "suits" for "bodily injury" or "property damage" or a "covered pollution cost or expense" not covered by this Coverage form. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

1. WHO IS AN INSURED

The following are "insureds":

- a. You for any covered "auto".

- b. Anyone else while using with your permission a covered "auto" you hire or borrow except:

- (1) The owner or anyone else from whom you hire or borrow a covered "auto".
- (2) Your employee if the covered "auto" is owned by that employee or a member of his or her household.
- (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
- (4) Anyone other than your employees, partners, a lessee or borrower or any of their employees, while moving property to or from a covered "auto".
- (5) A partner of yours for a covered "auto" owned by him or her or a member of his or her household.

- c. Anyone liable for the conduct of an "insured" described above, but only to the extent of that liability.

2. COVERAGE EXTENSIONS

- a. Supplementary Payments.

In addition to the Limit of Insurance, we will pay for the "insured":

- (1) All expenses we incur.

(2) Up to \$250 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

(3) The cost of bonds to release attachments in any "suit" we defend, but only for bond amounts within our Limit of Insurance.

(4) All reasonable expenses insured by the "insured" at our request, including actual loss of earnings up to \$100 a day because of time off from work.

(5) All costs taxed against the "insured" in any "suit" we defend.

(6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" we defend; but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

b. Out of State Coverage Extensions.

While a covered "auto" is away from the state where it is licensed we will:

(1) Increase the Limit of Insurance for Liability Coverage to meet the limit or limits specified by a compulsory or financial responsibility law in the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.

(2) Provide the minimum amounts and types of other coverages such as no-fault, required of out of state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

B. EXCLUSIONS

This Insurance does not apply to any of the following:

1. EXPECTED OR INTENDED INJURY

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

2. CONTRACT

Liability assumed under any contract or agreement. This exclusion does not apply to liability for damages:

a. assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract agreement; or

b. that the "insured" would have in the absence of the contract or agreement.

3. WORKERS COMPENSATION

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers compensation, disability benefits or unemployment compensation law or any similar law.

4. EMPLOYEE INDEMNIFICATION AND EMPLOYERS' LIABILITY

Bodily injury" to:

a. an employee of the "insured" arising out of and in the course of employment by the "insured"; or

b. the spouse, child, parent, brother or sister of that employee as a consequence of paragraph a. above.

This exclusion applies:

(1) whether the "insured" may be liable as an employer or in any other capacity; and

(2) to any obligation to share damages with or repay someone else who must pay damages because of the injury.

But this exclusion does not apply to "bodily injury" to domestic employees not entitled to workers compensation benefits or to liability assumed by the "insured" under an "insured contract".

5. FELLOW EMPLOYEE

"Bodily injury" to any fellow employee of the "insured" arising out of and in the course of the fellow employee's employment.

6. CARE, CUSTODY OR CONTROL

"Property damage" to or "covered pollution cost or expense" involving property transported by the "insured" or in the "insured's" care, custody, or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

7. HANDLING OF PROPERTY
"Bodily injury" or "property damage" resulting from the handling of property:

- a. before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- b. after it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

8. MOVEMENT OF PROPERTY BY MECHANICAL DEVICE

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

9. OPERATIONS

"Bodily injury" or "property damage" arising out of the operation of any equipment listed in paragraphs 6.b. and 6.c. of the definition of "mobile equipment".

10. COMPLETED OPERATIONS

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. work or operations performed by you or on your behalf; and
- b. materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in paragraphs a. and b. above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed.
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, or escape of "pollutants":

- a. that are, or that are contained in any property that is:

1. being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";
2. otherwise in the course of transit by or on behalf of the "insured"; or
3. being stored, disposed of, treated or processed in or upon the covered "auto";

- b. before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or

- c. after the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic, or mechanical functioning of the covered "auto" or its parts, if:

- (1) the "pollutants" escape, seep, migrate, or are discharged, dispersed, or released directly from an "auto" part designed by its manufacturer to hold, store, receive, or dispose of such "pollutants"; and
- (2) the "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in paragraphs 6.b. and 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" not in or upon a covered "auto" if:

- (1) the "pollutants" or any property in which the "pollutants" are contained are upset, overturned, or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) the discharge, dispersal, seepage, migration, release, or escape of the "pollutants" is caused directly by such upset, overturn, or damage.

12. WAR

"Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

C. LIMIT OF INSURANCE

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles

involved in the accident, the most we will pay for the total of all damages and "covered pollution cost or expense" combined, resulting from any one "accident"

is the Limit of Insurance for Liability Coverage shown in the Declarations. All "bodily injury", "property damage", and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

SECTION III - BUSINESS AUTO CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

A. LOSS CONDITIONS**1. DUTIES IN THE EVENT OF ACCIDENT, CLAIM OR SUIT**

a. In the event of "accident", claim or "suit" you must give us or our authorized representative prompt notice of the "accident". Include:

- (1) how, when and where the "accident" occurred;
- (2) the "insured's" name and address; and
- (3) to the extent possible, the names and addresses of any injured persons and witnesses.

b. Additionally, you and any other involved "insured" must:

- (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
- (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
- (3) Cooperate with us in the investigation, settlement or defense of the claim or "suit".
- (4) Authorize us to obtain medical records or other pertinent information.
- (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

2. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Part until:

- a. There has been full compliance with all the terms of this Coverage Part; and

- b. We agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

3. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after the "accident" to impair them.

B. GENERAL CONDITIONS**1. BANKRUPTCY**

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Part.

2. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Part is void in any case of fraud by you at anytime as it relates to this Coverage Part. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

- a. this Coverage Part;
- b. the covered "auto";
- c. your interest in the covered "auto"; or
- d. a claim under this Coverage Part.

3. LIBERALIZATION

If we revise this Coverage Part to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Part.

5. OTHER INSURANCE

- a. For any covered "auto" you don't own, the insurance provided by this Coverage Part is excess over any other collectible insurance.
- b. Regardless of the provisions of paragraph a. above, this Coverage Part's Liability Coverage is primary for any liability assumed under an "insured contract".
- c. When this Coverage Part and any other Coverage Part or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Part bears to the total of the limits of all the Coverage Parts and policies covering on the same basis.

6. PREMIUM AUDIT

- a. The estimated premium for this Coverage Part is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first

Name Insured will be billed for the balance, if the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

policy is issued for more than one year, the premium for this Coverage Part will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

7. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part, we cover "accidents" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- a. The United States of America;
- b. The territories and possessions of the United States of America;
- c. Puerto Rico; and
- d. Canada.

We also cover "accidents" involving a covered "auto" while being transported between any of these places.

8. TWO OR MORE COVERAGE PARTS OR POLICIES ISSUED BY US

If this Coverage Part and any other Coverage Part or policy issued to you by us or any company affiliated with us apply to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Parts or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Part or policy. This condition does not apply to any Coverage Part or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Part.

SECTION IV - DEFINITIONS

- A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".
- B. "Auto" means a land motor vehicle, trailer or semi-trailer designed for travel on public roads but does not include "mobile equipment".
- C. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these.
- D. "Covered pollution cost or expense" means any cost or expense arising out of:
 1. any request, demand, or order; or
 2. any claim or "suit" by or on behalf of a governmental authority demanding;

that the "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged, or threatened discharge, dispersal, seepage, migration, release, or escape of "pollutants";

- a. that are, or that are contained in any property that is:
 - (1) being transported or towed by, handled, or handled for movement into, onto, or from the covered "auto";
 - (2) otherwise in the course of transit by or on behalf of the "insured"; or

(3) being stored, disposed of, treated or processed in or upon the covered "auto";

- b. before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. after the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of, or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases, or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic, or mechanical functioning of the covered "auto" or of its parts, if:

- (1) the "pollutants" escape, seep, migrate, or are discharged, dispersed, or released directly from an "auto" part designed by its manufacturer to hold, store, receive, or dispose of such "pollutants"; and
- (2) the "bodily injury", "property damage", or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in paragraphs 6.b. or 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" not in or upon a covered "auto" if:

- (1) the "pollutants" or any property in which the "pollutants" are contained are upset, overturned, or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) the discharge, dispersal, seepage, migration, release, or escape of the "pollutants" is caused directly by such upset, overturn, or damage.

E. "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage part. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.

F. "Insured contract" means:

- 1. a lease of premises;
- 2. a sidetrack agreement;
- 3. an easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad.
- 4. an obligation, as required by ordinance, to

indemnify a municipality, except in connection with work for a municipality;

- 5. that part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; or
- 6. that part of any other contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your employees, of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your employees to pay for "property damage" to any "auto" rented or leased by you or any of your employees.

An "insured contract" does not include that part of any contract or agreement:

- a. that indemnifies any person or organization for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road beds, tunnel, underpass, or crossing; or
- b. that pertains to the loan, lease or rental of an "auto" to you or any of your employees, if the "auto" is loaned, leased, or rented with a driver; or
- c. that holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.

G. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- 1. bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- 2. vehicles maintained for use solely on or next to premises you own or rent;
- 3. vehicles that travel on crawler treads;
- 4. vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. power cranes, shovels, loaders, diggers or drills; or

- b. road construction or resurfacing equipment such as graders, scrapers or rollers.
5. Vehicles not described in paragraphs 1, 2, 3 or 4 above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
- air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - cherry pickers and similar devices used to raise or lower workers.
6. Vehicles not described in paragraphs 1, 2, 3 or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
- equipment designed primarily for:
 - snow removal;
 - road maintenance, but not construction or resurfacing; or
 - cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well servicing equipment.
- H. "Pollutants" means any solid, liquid, gaseous, or thermal irritants or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Waste includes materials to be recycled, recondition, or reclaimed.
- I. "Property damage" means damage to or loss of use of tangible property.
- J. "Suit" means a civil proceeding in which damages because of "bodily injury" or "property damages" or "covered pollution cost or expense", to which this insurance is applies are alleged. "Suit" includes an arbitration proceeding alleging such damages or "covered pollution cost or expense" to which you must submit or submit with our consent.
- K. "Trailer" includes semitrailer.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT OF LIMITS

This endorsement modifies insurance provided under the following:

HIRE AUTO AND EMPLOYERS' NONOWNERSHIP LIABILITY

The Limits of Insurance shown in the Declarations Page, or wherever they may appear, apply separately to each "insured member".

For the purposes of this endorsement, "insured member" means the entity or entities indicated below by an X for which premium has been paid for coverage under this policy:

<input checked="" type="checkbox"/> First Named Insured		
<input type="checkbox"/> Club	<input type="checkbox"/> Team	<input type="checkbox"/> Concessionaire
<input type="checkbox"/> League	<input type="checkbox"/> Association	<input type="checkbox"/> Vendor
<input type="checkbox"/> Instructor	<input type="checkbox"/> Organization	<input type="checkbox"/> Exhibitor
<input type="checkbox"/> Other	_____	

The Limits of Insurance do not apply separately to the following:

- The individual persons, subsidiaries, affiliates or other entities that are a part of the "insured member" when the "insured member" is not an individual person, or
- Any person, subsidiary, affiliate or other entity that qualifies as an insured or an additional insured under this policy that is not an "insured member".

View Check Copy

Check Number	Date Posted	Check Amount	Account Number
7320	04/21/05	\$155.00	EXPANDED BUSINESS SERVICES PACKAGE 058-5111xxx

GOLDEN GATE GYMNASTICS
1415 G STAMENITE PALM 904-9903
CONCORD, CA 94622

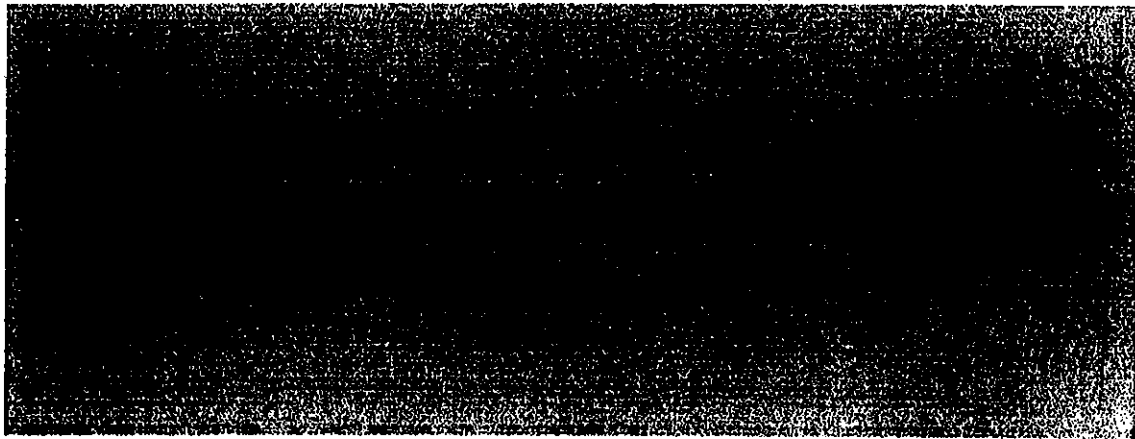
7320

11-426-112 0

1099 704-13-05
+ Reimburse Supp

100000155007

10073201 0121042882005851111701



View Check Copy

Check Number	Date Posted	Check Amount	Account Number
7321	05/09/05	\$395.00	EXPANDED BUSINESS SERVICES PACKAGE 058-5111xxx

GOLDEN GATE GYMNASTICS
SAN FRANCISCO, CA 94102

DATE	AMOUNT
5/9/05	395.00

PAY TO THE ORDER OF Three Hundred Ninety Five and 00/100

DATE May 15, 2005

CHECK AMOUNT \$395.00

WELLS FARGO BANK, N.A.
www.wellsfargo.com

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